



## **LITIGATION INVOLVING A SUBSIDIARY OF MINMETALS LAND IN RELATION TO A CONSTRUCTION CONTRACT REACHED FINAL JUDGEMENT**

(Hong Kong, 16 July 2007) – Minmetals Land Limited (“Minmetals Land” or the “Company”, formerly known as “ONFEM Holdings Limited”) (Stock Code: 230) announced that a final judgement for the litigation has been reached in relation to a construction contract between its wholly-owned subsidiary, Zhuhai (Oriental) Blue Horison Properties Company Limited (“ZOBHP”), and China Railway Nineteenth Bureau Group Corporation (the “China Railway Nineteenth Bureau”)(the “Litigation”). Business operations and financial position of the Company remain solid.

The Litigation commenced in February 2004. China Railway Nineteenth Bureau sought a claim for the construction costs in the amount of RMB23.11 million (approximately HK\$23.81 million). ZOBHP took on the Litigation and made a counter-claim on China Railway Nineteenth Bureau.

According to the final judgement issued by the Higher People’s Court of China in Guangdong Province, the PRC on 22 June 2007, ZOBHP is required to pay to China Railway Nineteenth Bureau the outstanding payment and litigation expenses in the amount of approximately RMB10.58 million (approximately HK\$10.90 million) plus the interest accrued on certain part thereof, which is less than the original claim of RMB23.11 million.

Mr. WANG Xingdong, Managing Director of Minmetals Land, said, “The court judgement has made China Railway Nineteenth Bureau pull out of The Grand Panorama Project (the Project)”, and has enabled the Company to rejuvenate the development of the Project, which has since then achieved encouraging project efficacy. We are pleased to see that the Litigation, which has begun since 2004, has come to an end. The judgement sum has already formed part of the total construction costs contained in the original budget of the Project. Upon resumption of the construction work, we have taken a series of effective measures to ensure that the quality and progress of the Project are up to our standard. Ever since the launch of the presale of the Project in early 2007, the market response has been favourable. All the residential units have been presold at satisfactory prices and are scheduled for handover to buyers in the second half 2008.”

Mr. WANG said, "The Company has formulated a series of blueprints for the real estate development business. In addition to the launch of The Grand Panorama Project in Zhuhai early this year and the planned presale of the Laguna Bay Project in Nanjing in the fourth quarter of this year, we have recently joined force with a wholly-owned subsidiary of Ershisanye Construction Group Co., Ltd controlled by our parent company for a joint residential development of two pieces of adjoining land located in Changsha City of Hunan Province, the PRC. The Company will continue to actively pursue its development plan in the future."

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### **About Minmetals Land Limited**

Minmetals Land Limited ("Minmetals Land", formerly known as ONFEM Holdings Limited) is a subsidiary and the Hong Kong-listed real estate development flagship of China Minmetals Corporation. Minmetals Land principally engages in the real estate development and specialised construction. Currently, its real estate development business covers Pearl River Delta, Yangtze River Delta and central China regions whereas the specialised construction business encompasses 15 cities and municipalities in the PRC with Shanghai as its headquarters.

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